

# Senate Study Bill 1302

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
LOCAL GOVERNMENT BILL BY  
CHAIRPERSON QUIRMBACH)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act establishing residency requirements for certain boards of  
2 hospital trustees and for utility board members.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
4 TLSB 2742XC 82  
5 eg/gg/14

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1 1 Section 1. Section 145A.10, Code 2007, is amended to read  
1 2 as follows:  
1 3 145A.10 BOARD OF HOSPITAL TRUSTEES.  
1 4 Upon acceptance of a plan, the officials of the merged area  
1 5 acting as a committee of the whole shall appoint a board of  
1 6 hospital trustees. The board of trustees shall then meet,  
1 7 elect a chairperson, and adopt such rules for the organization  
1 8 of the board as may be necessary. The number and composition  
1 9 of the board shall be determined by the committee appointing  
1 10 the board; but as a matter of public policy the committee is  
1 11 directed to apportion the board into area districts in such a  
1 12 way that the residents of all of the merged area will be  
1 13 represented as nearly equally as possible on the board. A  
1 14 trustee shall not be appointed or elected to or remain on the  
1 15 board unless the trustee is a resident of the area district  
1 16 from which the trustee was appointed.

1 17 Sec. 2. Section 145A.11, Code 2007, is amended to read as  
1 18 follows:  
1 19 145A.11 TERMS OF MEMBERS.  
1 20 The terms of members of the board shall be four years,  
1 21 except that members of the initial board shall determine their  
1 22 respective terms by lot so that the terms of one-half of the  
1 23 members, as nearly as may be, shall expire at the next general  
1 24 election. The remaining initial terms shall expire at the  
1 25 following general election. The successors of the initial  
1 26 board shall be chosen from area districts at regular  
1 27 elections, and shall be nominated and elected in the same  
1 28 manner as county hospital trustees as provided in section  
1 29 347.25, except that nomination papers on behalf of a candidate  
1 30 shall be signed by not less than twenty-five eligible electors  
1 31 from the area district. A trustee shall not be elected to the  
1 32 board, and a trustee elected to the board shall not remain on  
1 33 the board, unless the trustee is a resident of the area  
1 34 district from which the trustee was elected.

1 35 Sec. 3. Section 347.9, Code 2007, is amended to read as  
2 1 follows:

2 2 347.9 TRUSTEES == APPOINTMENT == TERMS OF OFFICE.  
2 3 When it has been determined by the voters of a county to  
2 4 establish a county public hospital, the board shall appoint  
2 5 seven trustees chosen from among the resident citizens of the  
2 6 county with reference to their fitness for office, and not  
2 7 more than four of the trustees shall be residents of the city  
2 8 at which the hospital is located. A trustee shall not be  
2 9 appointed to or remain on the board unless the trustee is a  
2 10 resident of the county where the hospital is located. The  
2 11 trustees shall hold office until the following general  
2 12 election, at which time their successors shall be elected, two  
2 13 for a term of two years, two for four years, and three for six  
2 14 years, and they shall determine by lot their respective terms,  
2 15 and thereafter their successors shall be elected for regular  
2 16 terms of six years each. A candidate for the office of  
2 17 trustee shall be a resident of the county where the hospital  
2 18 is located at the time of the election at which the person's

2 19 name appears on the ballot. A person or spouse of a person  
2 20 with medical or special staff privileges in the county public  
2 21 hospital or who receives direct or indirect compensation in an  
2 22 amount greater than one thousand five hundred dollars in a  
2 23 calendar year from the county public hospital or direct or  
2 24 indirect compensation in an amount greater than one thousand  
2 25 five hundred dollars in a calendar year from a person  
2 26 contracting for services with the hospital shall not be  
2 27 eligible to serve as a trustee for that county public  
2 28 hospital. However, this section does not prohibit a licensed  
2 29 health care practitioner from serving as a hospital trustee if  
2 30 the practitioner's sole use of the county hospital is to  
2 31 provide health care service to an individual with mental  
2 32 retardation as defined in section 222.2.

2 33 Sec. 4. Section 347.10, Code 2007, is amended to read as  
2 34 follows:

2 35 347.10 VACANCIES.

3 1 Vacancies in the board of trustees may, until the next  
3 2 general election, be filled by appointment by the remaining  
3 3 members of the board of trustees or, if fewer than four  
3 4 trustees remain on the board, by the board of supervisors for  
3 5 the period until the vacancies are filled by election. A  
3 6 trustee shall not be appointed to or remain on the board  
3 7 unless the trustee is a resident of the county where the  
3 8 hospital is located. If any board member is absent for four  
3 9 consecutive regular board meetings, without prior excuse, the  
3 10 member's position shall be declared vacant and filled as set  
3 11 out in this section.

3 12 Sec. 5. Section 347A.1, unnumbered paragraphs 1 and 2,  
3 13 Code 2007, are amended to read as follows:

3 14 A county having a population less than one hundred fifty  
3 15 thousand may issue revenue bonds for a county hospital as  
3 16 provided in section 331.461, subsection 2, paragraph "e". The  
3 17 administration and management of the hospital shall be vested  
3 18 in a board of hospital trustees consisting of five or seven  
3 19 members. Appointments for a five-member board shall be made  
3 20 by the board of supervisors from among the resident citizens  
3 21 of the county with reference to their fitness for office, and  
3 22 not more than two of the trustees shall be residents of the  
3 23 same township. A trustee shall not be appointed to or remain  
3 24 on the board unless the trustee is a resident of the county  
3 25 where the hospital is located. Expansion from a five-member  
3 26 to a seven-member board of trustees shall occur only on  
3 27 approval of a majority of the five-member board of trustees.  
3 28 The five-member board of trustees shall appoint members to the  
3 29 additional vacancies; one appointee shall serve until the  
3 30 succeeding general election and the other appointee shall  
3 31 serve until the second succeeding general election at which  
3 32 times successors shall be elected. A trustee shall not be  
3 33 appointed to fill a vacancy or remain on the board unless the  
3 34 trustee is a resident of the county where the hospital is  
3 35 located.

4 1 The trustees shall hold office until the next succeeding  
4 2 election, at which time their successors shall be elected, two  
4 3 for a term of two years, two for a term of four years, and one  
4 4 for a term of six years, and thereafter their successors shall  
4 5 be elected for regular terms of six years each. A candidate  
4 6 for trustee shall be a resident of the county where the  
4 7 hospital is located at the time of the election at which the  
4 8 person's name appears on the ballot. Vacancies in the board  
4 9 of trustees may be filled in the same manner as original  
4 10 appointments, to hold office until the vacancies are filled  
4 11 pursuant to section 69.12. A trustee, whether elected or  
4 12 appointed, shall not remain on the board unless the trustee is  
4 13 a resident of the county where the hospital is located. The  
4 14 trustees shall qualify by taking the usual oath of office as  
4 15 provided in chapter 63, but no bond shall be required of them.  
4 16 The trustees shall receive no compensation but shall be  
4 17 reimbursed for all expenses incurred by them with the approval  
4 18 of the board of trustees in the performance of their duties.  
4 19 The board first appointed shall organize promptly following  
4 20 its appointment, and shall serve until successors are elected  
4 21 and qualified; thereafter no later than December 1 of each  
4 22 year the board shall reorganize by the appointment of a  
4 23 chairperson, secretary, and treasurer. The secretary and  
4 24 treasurer shall each file with the chairperson of the board a  
4 25 surety bond in the amount the board of trustees requires, with  
4 26 sureties to be approved by the board of trustees, for the use  
4 27 and benefit of the county hospital. The reasonable cost of  
4 28 the bonds shall be paid from the operating funds of the  
4 29 hospital. The secretary shall report to the county auditor

4 30 and the county treasurer the names of the chairperson,  
4 31 secretary, and treasurer of the board as soon as practicable  
4 32 after the appointment of each.

4 33 Sec. 6. Section 388.3, unnumbered paragraph 1, Code 2007,  
4 34 is amended to read as follows:

4 35 If a proposal to establish a utility board receives a  
5 1 favorable majority vote, the mayor shall appoint the board  
5 2 members, as provided in the proposal, subject to the approval  
5 3 of the council. A member shall not be appointed to or remain  
5 4 on the board unless the member is a resident of the city

5 5 establishing the board and administering the utility. The  
5 6 council shall by resolution provide for staggered six-year  
5 7 terms for, and shall set the compensation of, board members.

5 8 Sec. 7. Section 392.6, unnumbered paragraphs 1 through 3,  
5 9 Code 2007, are amended to read as follows:

5 10 If a hospital or health care facility is established by a  
5 11 city, the city shall by ordinance provide for the election, at  
5 12 a general, city, or special election, of three trustees, whose  
5 13 terms of office shall be four years. However, at the first  
5 14 election, three shall be elected and hold their office, one  
5 15 for four years and two for two years, and they shall by lot  
5 16 determine their respective terms. A candidate for hospital or  
5 17 health care facility trustee must be a resident of the

5 18 ~~hospital or health care facility service area within the~~  
5 19 ~~boundaries of the state city which has established the~~

5 20 ~~hospital or health care facility at the time of the election~~  
5 21 ~~at which the person's name appears on the ballot. A board of~~  
5 22 ~~trustees elected pursuant to this section shall serve as the~~  
5 23 ~~sole and only board of trustees for any and all institutions~~  
5 24 ~~established by a city as provided for in this section. A~~

5 25 ~~trustee shall not remain on the board unless the trustee is a~~  
5 26 ~~resident of the city which has established the hospital or~~  
5 27 ~~health care facility.~~

5 28 Cities maintaining an institution as provided for in this  
5 29 section which have a board of trustees consisting of three or  
5 30 five members may by ordinance increase the number of members  
5 31 to five or seven. The ordinance shall provide for the  
5 32 immediate appointment of the additional members necessary to  
5 33 establish a five-member or seven-member board and shall  
5 34 provide that, of the additional members added to the board by  
5 35 appointment, one-half of the additional members added shall  
6 1 serve until the next succeeding general or city election, and  
6 2 the remaining additional members shall serve until the second  
6 3 succeeding general or city election. The ordinance shall also  
6 4 provide that the determination of which election an appointed  
6 5 additional member shall be required to seek election be  
6 6 determined by lot. Thereafter, the terms of office of such  
6 7 additional members shall be four years. However, if a city  
6 8 has adopted an ordinance which increases the number of members  
6 9 of the board of trustees to five or seven members and the  
6 10 terms of office of four of the five members or six of the  
6 11 seven members end in the same year, the date of expiration of  
6 12 the term of one of the four members or two of the six members,  
6 13 to be determined by lot, shall be extended by an additional  
6 14 two years. A trustee shall not be appointed as an additional

6 15 member of the board or remain on the board unless the trustee  
6 16 is a resident of the city which has established the hospital  
6 17 or health care facility.

6 18 Terms of office of trustees elected pursuant to general or  
6 19 city elections shall begin at noon on the first day in January  
6 20 which is not a Sunday or legal holiday. Terms of office of  
6 21 trustees appointed to fill a vacancy or elected pursuant to  
6 22 special elections shall begin at noon on the tenth day after  
6 23 appointment or the special election which is not a Sunday or  
6 24 legal holiday. The trustees shall begin their terms of office  
6 25 by taking the oath of office, and organize as a board by the  
6 26 election of one of their number as chairperson and one as  
6 27 secretary, but no bond shall be required of them. Terms of  
6 28 office of trustees shall extend to noon on the first day in  
6 29 January which is not a Sunday or legal holiday or until their  
6 30 successors are elected and qualified. Vacancies on the board  
6 31 of trustees may, until the next general or regular city  
6 32 election, be filled by appointment by the remaining members of  
6 33 the board of trustees, unless within fourteen days after the  
6 34 appointment is made, there is filed with the city clerk a  
6 35 petition which requests a special election to fill the  
7 1 vacancy. Trustees who are appointed to fill a vacancy or who  
7 2 are elected at special elections shall serve the unexpired  
7 3 terms of office or until their successors are elected and  
7 4 qualified. A trustee shall not be appointed to fill a vacancy  
7 5 on the board or remain on the board unless the trustee is a

7 6 resident of the city which has established the hospital or  
7 7 health care facility.

7 8 EXPLANATION

7 9 This bill establishes residency requirements for persons  
7 10 who hold the office of trustee for merged area hospitals,  
7 11 county hospitals, and city hospitals and health care  
7 12 facilities. The bill also establishes residency requirements  
7 13 for utility board members.

7 14 The bill provides that a trustee of a board of hospital  
7 15 trustees shall not be appointed to a board, or remain on a  
7 16 board, unless the trustee is a resident of an area district  
7 17 for a merged area hospital, a county for a county hospital, or  
7 18 a city which has established the hospital or health care  
7 19 facility. The bill also applies similar residency  
7 20 requirements to trustees elected or seeking election to a  
7 21 board.

7 22 The bill also provides that a member shall not be appointed  
7 23 to a utility board, or remain on a utility board, unless the  
7 24 member is a resident of the city establishing the board and  
7 25 administering the utility.

7 26 LSB 2742XC 82

7 27 eg:nh/gg/14.2